

MAY 25 2005

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

FILED

STATE OF NEBRASKA)	
DEPARTMENT OF INSURANCE,)	FINDINGS OF FACT, CONCLUSIONS
)	OF LAW, RECOMMENDED ORDER
PETITIONER,)	AND ORDER
)	
VS.)	CAUSE NO. A-1618
)	
MICHAEL KEITH LOFTIS,)	
)	
RESPONDENT.)	

This matter came on for hearing on the 17th day of May, 2005, before Martin W. Swanson, a hearing officer duly appointed by the Director of the Nebraska Department of Insurance. The Nebraska Department of Insurance ("Department") was represented by its attorney, Christy Neighbors. Michael Keith Loftis (Respondent) was not present and was not represented by an attorney. The proceedings were tape recorded by Tracy Gruhn, a licensed Notary Public. Evidence was received, testimony was adduced and the matter was taken under advisement. As a result of the hearing, the hearing officer makes the following Findings of Fact, Conclusions of Law, and Recommended Order.

FINDINGS OF FACT

1. Respondent is a licensed insurance producer whose registered address with the Department of Insurance is 2239 North 91st Plaza, Omaha, NE 68134. E1, E3.
2. The Department is the agency of the State of Nebraska charged with licensing insurance producers.
3. Respondent was sent notice of this hearing to his place of residence. According to the evidence in the record, the Department of Insurance attempted to serve a copy of the petition

and notice of hearing at his registered business address, however, he was no longer employed there as of January 1, 2005. His former place of employment also attempted to forward the petition and notice of hearing to Respondent without success. The Department of Insurance, in the exercise of due diligence, sent the petition and notice of hearing to his last known home address, namely 13718 Polk Street, Omaha, NE 68137 via first class mail. E1-E2.

4. Pursuant to a complaint to the Nebraska Department of Insurance, Rhonda Hotchkiss, (Hotchkiss) Insurance Investigator for the Consumer Affairs Division of the Nebraska Department of Insurance, sent a letter of inquiry to Respondent on December 28, 2004. According to Hotchkiss' testimony, Respondent did not provide a written response to her letter within fifteen working days. E3.

5. On January 24, 2005, Jane Francis, Administrator of the Consumer Affairs Division, sent another letter to Respondent. According to Hotchkiss' testimony and to the testimony of Beth Hollister (Hollister), staff assistant for the Consumer Affairs Division, Respondent failed to respond in writing within fifteen working days. E4.

6. Hollister testified that she received a voice mail from Respondent wherein he claimed that he would personally bring in the response to the Department of Insurance. According to Hotchkiss and Hollister, he did not do so. E5-6.

7. Hollister also testified that she mailed Respondent a copy of a change of address form in order for Respondent to update, as required by law, his address with the Department of Insurance. Hotchkiss also informed Respondent via phone conversation that Respondent needed to inform the Department of Insurance if he was going to quit the business of insurance. According to Hollister, and Beverly Creager, license administrator for the Nebraska Department of Insurance, a change of address form was never received by the Nebraska Department of Insurance. E1, E5-6.

CONCLUSIONS OF LAW

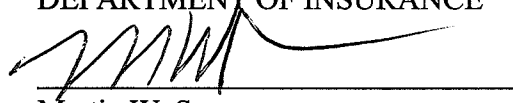
1. The Department has jurisdiction and control over the licensing of Respondent to sell insurance in the State of Nebraska pursuant to **Neb. Rev. Stat.** §44-101.01 and §44-4001 et seq.
2. The Department has personal jurisdiction over Respondent.
3. Respondent violated **Neb. Rev. Stat.** §44-4059(1)(b), §44-4059(1)(h), and §44-4054(8).

RECOMMENDED ORDER

Based on the Findings of Fact and Conclusions of Law, it is recommended that Respondent's Insurance Producer's License be suspended until Respondent fully and completely answers the inquires sent to him by the Nebraska Department of Insurance. Additionally, Respondent is fined \$1,000 for his subsequent failure to respond to the January 24, 2005 letter and an additional \$1,000 for his failure to inform the Department of Insurance of his change of address. If Respondent does seek reinstatement of his license, it shall not be reinstated until the fine is paid in full and the inquiries are answered completely. The Nebraska Department of Insurance will continue to retain jurisdiction over this matter until Respondent has complied with all provisions of this order.

Dated this 25th day of May, 2005.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE



Martin W. Swanson
Hearing Officer

CERTIFICATE OF ADOPTION

I have reviewed the foregoing Findings of Fact, Conclusions of Law, and Recommended Order and hereby certify that the Recommended Order is adopted as the official and final Order of this Department in the matter of State of Nebraska, Department of Insurance vs. Michael Keith Loftis, Cause No. A-1618.

Dated this 25th day of May, 2005.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE



L. TIM WAGNER
Director of Insurance

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Findings of Fact, Conclusions of Law, Recommended Order, and Order was served upon the Respondent by mailing a copy to Respondent at 13718 Polk Street, Omaha, NE 68137, by certified mail, return receipt requested, on this 26th day of May, 2005.

